

JOSEPH R. BIDEN, III ATTORNEY GENERAL DEPARTMENT OF JUSTICE 820 NORTH FRENCH STREET WILMINGTON, DELAWARE 19801 CONTACT JASON MILLER PUBLIC INFORMATION OFFICER PHONE (302) 577-8949 CELL (302) 893-8939 Jason.Miller@state.de.us

Media Release December 17, 2010

## Delaware joins settlement with DIRECTV to resolve consumer protection allegations

**Wilmington** – The Attorney General's Office announced that Delaware has joined 48 other states and the District of Columbia in a settlement with satellite television provider DIRECTV to resolve allegations of deceptive advertising and unfair sales practices. In addition to paying \$13,250,000 to the participating states, DIRECTV will also pay restitution to consumers and make changes to its business practices. Delaware's Consumer Protection Fund will receive \$185,000.

"Attorneys General from across the country have worked together to stand up for consumers by securing specific changes to DIRECTV's unacceptable marketing practices and obtaining restitution for their customers," Attorney General Biden stated. "I encourage consumers who were subjected to these deceptive practices to file a restitution claim through DIRECTV or by filing a complaint with our office."

Complaints against DIRECTV alleged that the company:

- Did not clearly disclose to consumers the price that the consumer would be charged and the commitment term that the consumer would be required to keep DIRECTV services;
- Did not clearly disclose to consumers limitations on getting a certain price for DIRECTV;
- Enrolled consumers in additional contracts or contract terms without clearly disclosing the terms to the consumer;
- Enrolled consumers in additional contracts when replacing defective equipment;
- Did not clearly disclose to consumers that they would automatically renew a seasonal sports package; and
- Offered cash back to consumers when the consumer would actually receive bill credits

Consumers who have complaints against DIRECTV involving conduct after January 1, 2007 that is addressed in the settlement can file a claim for restitution directly through DIRECTV at <a href="https://www.directv.com/ag">www.directv.com/ag</a> or by calling 1-800-DIRECTV. They can also file a complaint with the Attorney General's office by visiting <a href="https://www.attorneygteneral.delaware.gov">www.attorneygteneral.delaware.gov</a>, calling the Attorney General's Consumer Hotline at 1-800-220-5424, or sending an e-mail to consumer.protection@state.de.us. The deadline for filing restitution claims is June 9, 2011.

The agreement requires DIRECTV to make changes to its business practices, including:

- Clearly disclose all material terms to consumers;
- Replace defective leased equipment at no cost except shipping costs and, when simply replacing defective equipment, not require consumers to enter into an additional contract;
- Clearly disclose when a consumer is entering into a contract;

- Clearly notify consumers before they are obligated to pay for a seasonal sports package;
- Clearly disclose all limitations on the availability of local channels;
- Not misrepresent the availability of sports programming;
- Not represent that a consumer would get cash back if the consumer would actually get a bill credit; and
- Clearly notify consumers that they will be charged a cancellation or equipment fee at least 10 days before charging the fee.

###